## SECRET

FEB 9 1954

MEMORARDOM FOR: Deputy Director of Central Intelligence

SUBJECT: Comments on Travel Report of the Comptroller and the Deputy
Assistant Director for Personnel

I have reviewed this report and generally concur with the recommendations made. The comments below indicate action taken at the present time with respect to the recommendations a. through f. of the report.

a. The problem of official cover warrants restudy in all its aspects. The Deputy Director (Plans) and I have divergent views as to responsibility for official cover and the matter was referred to the Inspector General several months ago. I recommend an objective review of the basic problem and a determination on this point by you at the earliest possible date in order that the minor problems of delay in the and the possibility of more extensive use of

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- be solved.
- c. A recent Field Notice directed field representatives to report delinquencies in replying to action correspondence directly to the DCI each month. This should correct the situation.
- d. The Logistics Office has almost completed a set of regulations which will provide policies, authorities, and procedures for the orderly control and use of Agency vehicles. These will be submitted in the near future for your review.
- e. The Agency has no legal authority to pay allowances or otherwise assist employees in general in educating their children overseas. However, under the general authority granted the Director in Public Law 110, the General Counsel has ruled that the Agency can financially assist employees who necessarily incur exhabitant educational expenses in the maintenance of their specific cover or when failure to furnish such assistance would preclude the assignment of personnel to or the retention of personnel at specific posts of duty due

to the lack or exorbitant cost of education. The policy to render such limited assistance has been approved and the Assistant Director for Personnel is currently planning the broadest possible application and administration of this policy. The alternative proposal, to avoid the assignment of personnel with school age children to overseas areas lacking suitable school facilities or where costs are prohibitive, has been taken up by the Assistant Director for Personnel with the Chief of Administration, Office of the Deputy Director (Plans).

f. I agree completely that employees who are financially insolvent, so to speak, should not be assigned overseas. The necessary additional outlay of personal funds, preparing for and adjusting to overseas living is simply too great for individuals without capital and with nominal borrowing powers. CIA does not have legal authority to loan funds to individuals and the CIA Credit Union is limited in its ability to assist the individual. This problem has been referred to the COA/DDP and action to preclude the overseas assignment of persons unable to finance themselves is anticipated.

SIGNED

L. K. WHITE Acting Deputy Director (Administration)

Attachment: Report

SA/DDA:EDE:djm 1-DD/A Chrono 1-DD/A Subject